

Week Ending Friday, May 2, 1997

**The President's News Conference
With Prime Minister Ryutaro
Hashimoto of Japan**
April 25, 1997

President Clinton. Good afternoon. Before we begin the discussion of my meetings with the Prime Minister, let me say that I have just come from signing the instrument of ratification to the Chemical Weapons Convention, along with the Vice President and the Secretary of State and others who worked very hard for it.

Last night's strong bipartisan vote in the Senate will keep our soldiers and our citizens safer, and it will send a clear signal that Americans of both parties are united in their resolve to maintain the leadership of our Nation into the next century.

It is very appropriate that the vote took place last night when I was visiting with the Prime Minister and that the signing took place a moment ago while Prime Minister Hashimoto was here, because Japan set a very strong example for the world by ratifying this treaty more than a year ago.

I am particularly pleased on this historic day to welcome the Prime Minister to Washington. Over the last 2 years, Ryu and I have met many times. We've built a good friendship that reflects the shared values and interests of the world's two strongest democracies and leading economies. Today's discussions were no exception. The Prime Minister and I continued our work to make sure that our partnership meets the challenges of the new century.

Our security alliance remains the cornerstone of peace and stability in the Asia-Pacific region. Building on the joint declaration we signed in Japan last April, we are strengthening our cooperation while reducing the burden of our bases on the Japanese people. Today we reviewed recent progress in consolidating some of our bases in Okinawa in ways that reflect our continuing sen-

sitivity to their effect on the lives of the Okinawan people. I particularly appreciate the strong leadership and support for our alliance the Prime Minister showed in passing legislation to enable our forces to continue using these important facilities.

We also discussed regional security, including our joint interest in promoting peace and stability on the Korean Peninsula. The United States and Japan are united in urging North Korea to accept the standing offer for four-party peace talks. I want to thank the Prime Minister for Japan's role in the Korean Energy Development Organization that has helped to keep North Korea's dangerous nuclear program frozen.

The Prime Minister and I agreed on the critical importance of cooperative relations with China. We also agreed on the need for the international community to stand firmly behind the progress of democracy in Cambodia. We both recognize the importance of keeping our economic relationship moving in the right direction. Over the last 4 years we've worked hard to open markets and achieve a better balance in our trade and investment ties.

I told Prime Minister Hashimoto we need to build on this success to create new opportunities in key sectors for both the workers of our country and broad benefits for the consumers of Japan. We both want to promote strong domestic demand-led growth in Japan and to avoid a significant increase in Japan's external surplus. These are essential to sustaining the progress that has been made.

I welcome the Prime Minister's commitment to restructuring Japan's economy, including his support of far-reaching deregulation. An ambitious reform program should bring economic benefits to Japan and improve market access for American and other foreign firms. To this end, we have agreed to intensify talks on deregulation under our framework agreement.

Among the global issues we discussed were preparations for this June's Summit of the Eight in Denver and how we can work together to strengthen reform in the United Nations. Tomorrow, the Vice President and the Prime Minister will discuss our common agenda to fight disease, protect the environment, and meet other important common challenges.

Finally, let me say I had the opportunity to thank the Prime Minister for Japan's efforts to bring our young people closer together. The new Fulbright Memorial Fund will send 5,000 American high school teachers and administrators to Japan over the next 5 years. We welcome the Prime Minister's initiatives to send high school students from Okinawa to study in the United States and will increase our funding for American students to do the same there. These ties of friendship reflect the shared values that underpin our vital alliance.

If you will permit me to quote a Haiku poem, "Old friends standing tall, spring sunlight on their shoulders, makes them move as one." Moving as one in this time of challenge and change, that's what Prime Minister Hashimoto and I are committed to see the United States and Japan do.

Mr. Prime Minister, welcome.

Prime Minister Hashimoto. Well, I am pleased to be able to make this official visit to Washington, DC, and to have had a thorough exchange of views with President Clinton.

Last night, the President invited me for drinks, and we had an enjoyable evening at the White House. There I conveyed to him my sympathies for the damage caused by the flood in the Midwest. I also was able to express joint pleasure at the approval of the Chemical Weapons Convention by the Senate.

I had 3 hours of frank discussion with Bill as friends and as leaders of the two countries. I believe we have the following four points as the main themes.

The first theme is the security relationship, which is the foundation of a Japan-U.S. friendship and alliance. We fully agreed that we must further enhance the security relationship and based on the Japan-U.S. Joint Declaration on Security issued last April. I

explained to President Clinton the efforts my administration has been making on issues concerning Okinawa and its top priority task to secure a solid basis for the stable security relationship. President Clinton made it clear that he will continue to be sensitive to, and cooperative on, issues concerning Okinawa, including the steady implementation of the SACO final report.

With regard to the review of the guidelines for Japan-U.S. defense cooperation, we'll intensify this joint task as we head towards this fall. I'd also like to ensure full transparency both at home and abroad of the review process. We also reaffirmed our commitment in the joint declaration that in response to changes which may arise on the international security environment, we'll continue to consult closely on defense policies and military postures, including the U.S. force structure in Japan which will best meet the requirements of the two Governments.

The second theme is the economic relationship. I gave to the President updates on the reforms now being undertaken in Japan by the Government and political parties in unison, especially on structural reforms, including the fiscal reform and consolidation, deregulation, and financial system reform.

I must say that these reforms do have great relevance to maintaining and enhancing the good bilateral economic relationship we enjoy today. The President welcomed my commitment to restructuring Japan's economy, including far-reaching deregulation. We both support the common objective of avoiding a significant increase in Japan's external surplus by promoting strong domestic demand-led growth in Japan. Furthermore, we have decided to have the officials of the two Governments start discussions on how we could enhance the Japan-U.S. dialog on deregulation under our framework.

The third theme is furtherance of peace and prosperity in the Asia-Pacific region under Japan-U.S. cooperation and joint leadership. In this context, the President and I agreed on the special significance of establishing constructive, cooperative relations with China. We reaffirmed that Japan, the United States, and the Republic of Korea will continue to deal with issues concerning the Korean Peninsula, including early realization

of the four-party talks and promotion of the activities by the Korean Peninsula Energy Development Organization, or KEDO, under tripartite coordination.

On Cambodia, there was concurrence of views that the international community needs to send out a political message for the stability of Cambodia under consolidation of democracy. I have dispatched Mr. Komura, the State Secretary for Foreign Affairs, to Cambodia, to fulfill this task.

The last, and the fourth theme, is Japan-U.S. cooperation on global issues. It was reconfirmed in our meeting that we will further coordinate our policies on such wide-ranging issues as the Denver summit, antiterrorism and anticrime measures, United Nations reforms, cooperation with Russia, and the Middle East peace process.

I'd like to note here that the seizure of the Japanese Ambassador's residence in Peru recently came to an end, with the three unfortunate casualties, yet with a vast majority of the hostages freed without serious injuries. Today our two nations renewed their resolves and resolved to condemn and fight terrorism without succumbing to it, hand in hand with the international community.

I would also like to welcome the approval of the Chemical Weapons Convention in the Senate yesterday, as I mentioned at the outset. And I certainly welcome the fact that this document was also ratified today.

The President and I agreed to strengthen our efforts to promote common agenda towards the 21st century. I proposed to vigorously promote environmental education, and I'm happy to have President Clinton's agreement. As the President mentioned just now, it gave the two of us much delight that people-to-people exchanges between Japan and the United States have been steadily widening, as exemplified by the teacher exchange through the Fulbright Memorial Program and the high school student exchange between Okinawa prefecture and the United States.

There is no other bilateral relationship in the world that has any semblance to the Japan-U.S. relationship in the present and fundamental importance. In closing, I would like to reiterate my determination to further enhance the Japan-U.S. relationship for the

benefit of not only the two peoples but also for the Asia-Pacific region and the world as a whole, on the solid basis of my close cooperation with President Clinton.

Thank you very much.

President Clinton. What we will do is, I will call on an American journalist, and then the Prime Minister will call on a Japanese journalist. And we'll begin with Mr. Fournier [Ron Fournier, Associated Press].

Tobacco Regulation Ruling

Q. Let me ask you a couple questions about an important domestic development that happened today. The court said that the FDA cannot restrict tobacco advertising, which is the cornerstone of your crackdown against teenage smoking. Other than an appeal, is there any other recourse? For example, regulating advertising—[inaudible]—would the White House be less likely to push forward—[inaudible].

President Clinton. Well, first of all, this is, on balance, a great victory for the fight we have been waging for our children's health, because the fundamental legal issue was, did the FDA have jurisdiction over tobacco companies? And they said yes. And since we believe strongly that for young people, access equals addiction, the fact that the yes includes the ability of the FDA to deal with access of young people to tobacco is a huge victory. And we started out against overwhelming odds, a very powerful interest group; no administration had undertaken this before. And so I feel a great deal of reassurance today.

Now, the court also held, as you pointed out, that that statute which gave the FDA authority to regulate tobacco and regulate access among other things did not cover, by its expressed terms, advertising. So we will appeal that part of it. But this is a day that—I know Dr. Kessler has already been out celebrating about this. We're very pleased by the court's decision, especially coming as it does out of North Carolina, and we are determined to proceed on this course. We think it's a great victory for us.

Q. Could the FCC regulate advertising—[inaudible]—slow down your push for—[inaudible].

President Clinton. I don't know the answer to the FCC question. I presume, but I don't really know the answer. I can't—and in terms of the settlement, let me say that we have been involved in the settlement, the White House has, only in a monitoring capacity. The parties are involved in the settlement. And my concern was twofold only: One is to protect the integrity of the FDA's efforts and to protect our children, and the second was to make sure that the larger public health issues were put front and center.

So I don't have an opinion about that. I don't—I'm not the expert here about the intersection of the legal discussions and the protection of the public health. But I can tell you that my opinion about any proposed settlement, should one ever be agreed to, would be determined solely on what I thought was good for kids and good for the public health.

Japan-U.S. Defense Guidelines

Q. I would like to ask a question of Prime Minister Hashimoto. You'll be completing the review process of the Japan-U.S. defense guidelines, and I wonder if this will require new contingency legislation. In case such new legislations are required for emergency cases, what happens to the consistency with the Japanese Constitution?

Prime Minister Hashimoto. Well, first of all, this review will be conducted solely within the confines of the Japanese Constitution, and I would like to make that point clear first. Having said that, let me say that we are working very diligently with this review process of the guidelines. The purpose of reviewing the guidelines is to consider the Japan-U.S. defense cooperation a new era and make that evident to the entire world. And also, we are trying to establish smooth cooperation and promote cooperation between Japan and the United States vis-a-vis various and new and unexpected circumstances that were not considered in the past.

When the review process is completed, what sort of response will be needed domestically—what sort of laws might become necessary domestically? That is a matter I would not like to make any presumptions about. But security is a matter that—or this is a matter that touches on the fundamental security of

Japan, and we also would like to proceed with this review process in a totally transparent manner both at home and abroad. And sometime in May, we would like to announce the various views that are expressed in the process of the Japan-U.S. joint review and the items that are being considered, and by so doing we would like to avoid undue concerns on the part of other countries and also avoid undue disruptions.

And should there be any pieces of wisdom that we could take advantage of, we certainly would like to receive them. And I sincerely hope that it will be conducive to building up strengthened security relations between the two countries.

China-Russia Agreement

Q. Mr. President, Mr. Prime Minister, you both earlier today said that the China-Russia agreement should not be worrisome as long as it's not directed in any negative way toward its neighbors. I'm wondering, given the high profile irritants in the U.S. relations toward both Russia and China, how can you be sure what the motivation is behind that agreement, and specifically, how can you be sure it isn't directed toward either the United States or any of its neighbors?

President Clinton. Do you want me to go first?

Well, first of all, let me say, if you look at the map and you look at the history of the 20th century, Russia and China have a lot of things that they need to deal with between themselves. They have a rich history; they have a history of both cooperation and significant conflict. And if they have a good cooperative partnership in the future that is part of a larger balance of forces working toward security, open trade, genuine respect for borders not only of the parties to any agreement but of any other parties in the neighborhood, I think that's a positive thing.

If you look at, for example, the extent to which the politics of India have been dictated, partly by the tensions between Russia and China in the past, and how important India is—soon to become the largest country in the world; already with the largest middle class in the world—and how important our relationships with India will be, and then with Pakistan, there is so much of what goes

on between Russia and China that affects our relations, not only directly but indirectly, that I think it's a very positive thing that they're talking and working together.

And again I will say, as long as they are not making an agreement that is designed to somehow undermine the security or the prosperity or the integrity and freedom of any of their neighbors, I think it is a positive thing. And I look forward to having the same sort of constructive relations with both parties, and I think that the Prime Minister does as well.

Q. Do you know that's true, or do you—
President Clinton. No I don't know. But I don't know that it isn't, either. I have no reason to believe it's not, and I don't think we should approach these things with paranoia. We have no basis on which to conclude that there is some negative connotation to the fact that the Russians and the Chinese are trying to get along. In the periods when they didn't get along, it was more difficult for both of them.

Prime Minister Hashimoto. Well, a very good, model answer has already been provided, so if there is anything that I could add to this exemplary response: Well, countries that have adjacent borders between those countries, it is better that cooperation and harmony continue, rather than confrontation. That will be in the benefit of the human society as a whole. Should there be any problems, then of course, the two countries concerned should cooperate with each other so that the situation or any problem that has arisen will proceed in a better direction. That is my view.

Q. I'd like to ask this question of both the Prime Minister and President.

Mr. Prime Minister, you mentioned earlier that—[inaudible]—reaffirmation of the joint declaration that you will be cooperating with each other with regard to North Korea—[inaudible]. When do you think the reduction of U.S. marines stationed in Okinawa will become possible, whether that is difficult, and in the shorter-term, is it possible to relocate U.S. military drills from Okinawa to other parts of Japan as a short-term measure to reduce the burden on the Okinawan people?

Prime Minister Hashimoto. Well, I think I should start off first on this point. So follow-

ing my response, I would like to ask the President to supplement.

First, at the present stage, I believe that the U.S. forces that are deployed in the Asia-Pacific, including those stationed in Japan, we have no intention of asking for the reduction of these forces. In maintaining the stability and safety of the entire region, we very much cherish the present commitment that we have, and this is a matter of great importance for the President in terms of maintaining security as well.

Now, I need not tell you that there are many spots of instability and uncertainties in the Asia-Pacific today. Now, if the U.S. forces in the Asia-Pacific, not just stationed in Okinawa, are to be reduced, then we'd very much like to, in fact, create an Asia-Pacific region that can allow that reduction, discussing that possibility with smiles. And to that end, we'd like to cooperate with each other.

Now, as I have mentioned earlier, there is no doubt that we are causing burdens on the Okinawan people, and in order to reduce those burdens, we would like to say that the first step is to steadily realize the recommendations of the SACO final report. Thanks to all the efforts, the live fire drills across the prefectural Route 104 will be relocated. And the KC-130 aircraft now will be relocated to Iwakuna Base on Honshu Island.

President Clinton. The only thing that I could add to what the Prime Minister has already said is just to reaffirm my strong support for the SACO process. The United States is very aware that our presence, while it has enhanced the security of our country and Japan and the stability of the Asia-Pacific region, has imposed burdens on the people of Okinawa. We have been very sensitive to it. Since I have been President, I have done what I could to change that. We now have a SACO final report and a process underway which will lead to significant changes designed to reduce the burden on the people of Okinawa while permitting us to do what we need to do together to maintain stability in the region.

And I'd like to let that process play itself out. I think that you will see we are proceeding in good faith, and we will work hard to make that process end in a success for the people of Okinawa.

Wolf [Wolf Blitzer, Cable News Network] and then——

FBI and Alleged Chinese Efforts To Influence the 1996 Election

Q. Mr. President, Prime Minister Hashimoto made the case for the United States and for Japan to maintain stronger relations with China. But now there is apparently some evidence that the FBI has that top Chinese officials were trying to influence the U.S. political process. The question for you, Prime Minister Hashimoto, would be, if you had evidence that China was trying to influence politics in Japan, would that affect your relationship with China?

And to you, Mr. President, are you confident that what the FBI briefed members of the Senate Intelligence Committee, that that information is being made available to you and to your senior national security advisers?

Prime Minister Hashimoto. Well, I can't say anything about the U.S.-related part, but speaking of Japan and China relations, the latter half of last year, due to my own mismanagement as well, the Japan-China relations since then have been somewhat awkward. But in the run-up to the APEC summit meeting on Manila, I had meetings with Mr. Jiang Zemin, and we were able to more or less resolve the problem. And the Japanese Foreign Minister has visited Beijing since and most likely I will be visiting China later this year, in the fall. And following that, I think that Mr. Li Peng, the Chinese Premier, will visit Japan. And we are also inviting Mr. Jiang Zemin to visit Japan.

So through this process we, on both sides, Japan and China, we're trying to further improve our bilateral relations.

What I couldn't quite get from your question was, I think you said, are the Chinese leaders attempting to exercise influence on Japanese politics? Well——

Q. If the Chinese Government, were attempting to influence politics in Japan, would that affect your relationship with China?

Prime Minister Hashimoto. If the Chinese Government, in fact, does behave that way and if the Japanese are pliable, then, of course, that end result will happen. But I don't think that the Chinese leaders are at-

tempting to do that with the Japanese politics. And we certainly have no intention of imposing our own views on the Chinese. Well, this year, as I said, happens to be the 25th anniversary of normalization of diplomatic relations, so it was with this mindset that we would like to make this year a fruitful year in terms of Japan-China relations.

President Clinton. I'd like to answer the questions, if I might, in reverse order, and as carefully as I can.

First of all, I believe that the President and Secretary of State and the National Security Adviser should have access to whatever information is necessary to conduct the foreign policy and to protect the national interest of the country.

Secondly, especially in light of some of the allegations which have been made, I have made it clear that to resolve all questions, I expect every piece of information the Justice Department gives me to be shared with the Congress. I not only do not object to it, but I expect it to be done. That will be reassuring to everybody who's covering other stories, and I think it's important.

Now, in response to your question, I do not know the answer to that because I don't know precisely what the briefing was. But my policy is clear. And we have received some information from the Justice Department. Whether we have received everything they have, I have no way of knowing because I don't know what they got. But whatever—the important thing for me, for you to know, and for the American people to know is that as long as these questions are out there, I also expect anything that I am given to conduct the foreign policy of the country should be shared with the Intelligence Committees of the Congress so you'll know that it is shared in that way.

Now, to go to the second point, I have said before, and I will just simply reiterate what I have said before: If there was any improper attempt to influence the workings of the United States executive or legislative branches, obviously that would be a matter of serious concern. But I think it is important that we not accuse people of something that we don't know for sure that they have done, number one.

Number two, let's keep in mind—and I would encourage all of you to think about this yourselves—think about what you would define as improper influence. A lot of our friends in the world, countries with whom we are very closely allied, have friends in the United States that advocate for the policies of the governments all the time.

It's true—to take two obvious examples—it's true of Israel; it's true of Greece. And it's not—I would not consider that improper. It's publicly done. There's nothing secret or covert about it; we know that it's done. It's part of the political debate in America, and we don't take offense at it.

So we have to—but if there were some improper attempt to influence this Government, would it affect our relations? Of course, it's something we'd have to take seriously. But meanwhile, we have very large interests in a stable relationship with China and having China be a stable force in the Asia-Pacific region, just as Japan does. And so I think it is important that we not assume something we do not know and act in a way that may not be warranted. We need to get the facts here before we do that.

Japan-U.S. Economic Relations

Q. In your meeting, I believe you discussed bilateral economic relations, and I think you agreed that both would hope there would not be any significant increase in Japan's surplus. More specifically, did you discuss what measures ought to be taken in order to avoid such a significant increase?

Also, in the coming days, there will be the finance ministers meeting of the two countries, and there will be G-7 finance ministers meetings, and I think the markets are very much interested about the developments on the exchange front. I wonder if you had any discussions on that aspect as well.

Prime Minister Hashimoto. Well, let me first say that what we discussed today was that we would not like to see any significant increase in Japan's external surplus, and we're not assuming a situation where there will be absolutely no increase in Japan's surplus.

Now, it is true that we discussed this question, and I also tried to explain that the Japanese economic situation is not at all like the

situation that many worry it to be in. In fact, in fiscal '96, its growth rate is certain to reach 2.5 percent per annum.

Of course, the discontinuation of the special tax cut measures at the end of last fiscal year would have some negative effects. And yet, we would expect a 1.9 percent real economic growth rate for fiscal '97. And I also communicated to the President that it is with confidence that we expect Japan's economy will grow with the strength of domestic demand.

Of course, strong imbalances are not good, but we've indicated that we are concerned about this. And as far as the exchange rate question is concerned, we believe that having touched on this matter between ourselves, it is more proper to leave the matter to Secretary Rubin and Minister Mitsuoka.

Budget Agreement

Q. Mr. President, some of your top advisers clearly believe that next week is a crucial one in the budget talks. Some of them have suggested that it might be a make-or-break-it week as far as getting a balanced budget. Number one, do you share that belief? Number two, if so, why? And number three, is there anything that you can hold onto, concrete, that says yes, we might get a balanced budget this year?

President Clinton. Well, first of all, I was heartened by the process by which we reached agreement on the chemical weapons treaty because it really was a process with a lot of integrity. It was very specific, very problem oriented—problem-solving oriented, and it resulted, as you know, in getting a majority of both caucuses in the Senate to vote for the treaty. And that's an indication of what we can do if we put the country first.

Secondly, as I have said before, we have had some days now of quite intense talks between the Republican and Democratic budget leaders of the Senate and House. And they have worked, I'm convinced, with us in complete good faith. You know what the differences are; they're clear. We want a balanced budget that protects what we think are the most important values and interests of the country, including investing more in education, expanding coverage to children for health care, protecting the environment,

cleaning up 500 toxic waste dumps, continuing to invest in technology and things of that kind. They would favor more cuts in those programs and bigger tax cuts. We have differences between us.

Now, can we bridge the differences? If we proceed just as we did with the Chemical Weapons Convention, in the same sort of way, I'm convinced we can. Do I favor an early agreement? Yes, I do, if it's a good one and if it protects those things that I care about. Do I believe that there will be no balanced budget this year if the early agreements cannot be realized? No, I don't believe that.

I think it is so manifestly in the interest of the United States to do this—it would be so good for our economy; it would keep interest rates down; it would keep job growth going—that we will do it. Just that same reason I believed when we didn't have the votes on the Chemical Weapons Convention, eventually we'd find a way to do it because it was manifestly in the interests of the United States to do it.

And we want to keep this long expansion going. We want to keep these jobs coming into our country. We want to keep the higher wage jobs being created. And if we want to do that, we're going to have to balance this budget.

Now, it would be better to do it earlier rather than later, if both sides can agree in good conscience. It will be more difficult to do—when you fail, it's harder to kind of pick yourself up and try again. But I still believe it will get done sometime this year if we don't get it done now. But I favor an early agreement, if possible.

Korean Peninsula

Q. Mr. President, the Korean Peninsula is vital to U.S. interest in Northeast Asia. What is the U.S. position for establishing a peaceful regime on the Korean Peninsula?

President Clinton. Well, first of all, we had hoped very much that the North Koreans would follow up on their agreement in principle to the four-party talks and actually come to New York and participate in the talks. It was a big disappointment to me when they did not come, because I think it is clearly in their interests. And they, I think, are

better off having agreed to freeze their nuclear program and getting an alternative source of energy. And I think they ought to go the next step now and resolve all their differences with South Korea in a way that will permit the rest of us not only to give food aid and emergency food aid because people are terribly hungry but to work with them in restructuring their entire economy and helping to make it more functional again and giving a brighter and better future to the people of North Korea.

So from my point of view, both because of the security problems inherent in the tension of the two armies facing each other across the 17th parallel and because of the capacity of North Korea to produce missiles and other kinds of mischief and because there are a lot of people living in North Korea who are in distress now, I would very much like to see these talks resume.

And the Prime Minister and I talked about it in some detail, and we know that our interests would be advantaged if the talks could be brought to a successful conclusion. And I would urge the North Koreans to reconsider and to enter the talks as soon as possible.

We'll take one more—[inaudible].

FDR Memorial

Q. Mr. President, how strongly do you feel about having the new memorial to Franklin Roosevelt give prominent attention to his disability? The reason I ask the question is some of the disabled groups fear, because of the congressional politics on the issue, the legislation going forward now will not contain an ironclad guarantee of such a display. If it did not, would that be a violation of your commitment to them?

President Clinton. I can't give you an honest answer to that because—I mean, a good answer because I never thought about it in those terms before. I never thought about it as a legislative fight or making a deal with the groups. As far as I know—I've gotten some letters on this—I don't think anyone is coming to see me about it. I just have always felt—I'll tell you why I feel this way, that there should be constructed at an appropriate time a statue of—a sculpture of President Roosevelt in his wheelchair.

The genius of Roosevelt was that he had a flexible, imaginative mind that permitted us to preserve our fundamental values and principles and systems under great assault. And he knew that in the time he lived he would have had great difficulty getting elected President if people had thought of him as a "polio" or a "cripple," to use the words that were prevalent in the early thirties. And so he went to these enormous lengths to construct this deception. You know, he had two strong people who would carry him up stairs with his elbows held straight to pretend that he was walking up the stairs. And to a movie camera from a distance, it looked as if he was. He did all kinds of other things to create this deception. Why? Because he knew it was necessary at the time. He knew that he had the capacity to be President, and he didn't want some artificial perception to keep him from being President.

However, if he were alive today, my belief is just as strong that he would insist on being shown in his wheelchair because he would see all the progress we have made in the last 65 years on this issue—more than 65 years—and he would insist that we keep making progress. He would want this to be a living memorial, if you will, that would be part of America's thrust into the future, not just a musing on the past. That's what I believe.

And I've read a lot about Roosevelt. Sometimes I feel like I'm talking to him instead of Hillary talking to Eleanor. [Laughter] That's what I honestly believe. And I know even some of his family members differ with me, so I'm very respectful of people who have a different opinion than me about this. But I have thought about this a lot, and I believe if he were here he would say, "Look at what we have done. Look at how we have changed attitudes toward disabilities. Look at all the doors we're trying to open for people with disabilities. For God's sake, tell everybody I did this and I was disabled, so that all those disabled kids can know they can grow up to be President, too, now, and they don't have to hide it like I did."

President Clinton's Knee Injury

Q. But didn't you give up your wheelchair too early? [Laughter]

President Clinton. No. No, actually, Sarah [Sarah McClendon, McClendon News Service], I put myself at greater risk giving up the wheelchair. The reason I went to Helsinki in the wheelchair is so I wouldn't—because I was new on my crutches. But this is better for my therapy. And I went to Helsinki—because they didn't want me to go at all, and I said I was determined to go, and they said the only safe way to go was to go in a wheelchair. But I don't think I did give it up too early.

Q. The White House corridors are so long; you have to walk so far.

President Clinton. I'm building up my arm strength.

Let's take one more question. Would you like to take one more question, and then I'll take Mr. Donovan [John Donovan, ABC News] and Bill [Bill Plante, CBS News]. Go ahead. We're having a good time. [Laughter]

North Korea

Q. On food aid, during the flight to Washington, DC, Mr. Prime Minister, I think you expressed a view that as Governor of Japan you wished to maintain a very careful attitude, cautious attitude. I wonder how you explain Japan's position to the President, and I wonder if the President understood Japan's position.

Prime Minister Hashimoto. Yesterday, during the flight, I met with the press reporters traveling with me, and I touched on this question. We certainly are aware of the situation in North Korea that requires humanitarian food aid. At the same time, if we speak of humanitarian circumstances, there are certain things we would like the North Koreans to do for us. And one of them relates to Japanese nationals, Japanese women who got married to North Koreans. And those people who went to North Korea have not been able to send letters to Japan, whereas North Koreans visiting Japan could always go back and forth between Japan and North Korea. These Japanese women who married North Koreans have not even been allowed to return to their families for temporary visits. So, speaking of humanitarian issues, we would like the North Koreans to allow these Japanese women, Japanese wives, to write letters

back home or pay temporary visits to their families in Japan.

And also, according to information that we have gleaned, several mysterious incidents took place, one after another, in a rather limited time period. Some of them junior high school students, or lovers—these people suddenly disappeared from Japanese shores. And North Korean spies who later have confessed in South Korea, and it is so reported, that they have said these people were abducted. So there is a high possibility that these Japanese who disappeared from Japanese shore were abducted by the North Koreans. And probably, there is no doubt about that. And yet, we cannot really determine that is the case. But we have to remember that these people have disappeared in a mysterious manner.

In the process of Japan-North Korea normalization talks, we discussed the problem of Nai Unya, who was originally a Japanese. But we raised the issue of having the person recognized and returned to Japan. As soon as we raised the issue, the talks were discontinued.

So we understand it is a humanitarian situation in North Korea, but likewise, if we are to speak of humanitarian problems, there are humanitarian problems in Japan as well. There are, as I said, Japanese women who are married to North Koreans, and they surely wish to write to their families in Japan. They surely wish to visit their families back home. And we hope they, the North Koreans, will give humanitarian considerations to these people.

So these are, in fact, what I explained to President Clinton as well.

President Clinton. Let me say, I personally am very grateful for the Prime Minister's support and for Japan's support for the program to end the North Korean nuclear efforts, to freeze it and dismantle it, and for Japan's generosity in so many areas around the world where Japan spends a higher percentage of its income than the United States on humanitarian efforts.

We have devoted a significant amount of money and have pledged more to feed the people of North Korea. But the real answer here is, we can—the world will find a way to keep the people of North Korea from

starving and from dealing with malnutrition. But they need to lift the burden of a system that is failing them in food and other ways off their back, resolve their differences with the South. That will permit them the freedom to reconcile the problems they have still with Japan.

So what I think is so important—again I say, I implore the North Koreans to return to the talks. We have set these talks up, these four-party talks, with the Chinese, the people who were involved in the armistice at the end of the Korean war. We have given them every opportunity to come with honor and to be treated with fairness. And it is time to bring this long divide to an end, as well as to alleviate the misery of so many of their people.

Get Bill, then John. Go ahead.

China and Campaign Finance Reform

Q. Mr. President, following up on your answer about China, you seem to be suggesting almost that China's mistake may have been that it didn't approach advocacy in the American system in the American way, which is to say, by hiring a high-powered lobbying firm here in Washington to do its advocacy work rather than possibly trying these back channels.

And I also wanted to ask about campaign finance reform, and that is, how in the world do you expect to persuade very many of the people who were elected under the old system to ever give it up? Isn't this kind of a chimera?

President Clinton. Well, let me answer the second question first, and then I'll answer the first question.

I think that the only way I can persuade them to give it up is to believe that they—if they're on equal terms with their opponents, to have the confidence that since they're already in, if they're serving well and doing a good job, they should be able to persuade a majority of the people to reelect them. And I would never support any kind of campaign reform that did not at least guarantee some sort of equal footing to the competitors.

Now, I know what you're saying. You're saying, once you get in, you can normally raise more money than your competitor. But

the only way we can do it—let me tell you, the only way we can do it, since you have a lot of people from rural States who cannot raise what it costs to campaign, all of the money, in their own States—we have a lot of people from poor congressional districts who can't do that, and then you have people who just because—as I said, this is a harder sell for the Republicans than the Democrats because they could raise more money, and now that they're in the majority in Congress, they can raise a lot more money. So let's be fair to them. It's harder for them to buy this than it is for us.

But one reason they ought to do it is, it takes too much of their time, and it raises too many questions. And they would get more sleep at night; they would have more time to read; they would have more time to spend with their families; they would have more time to do the job of being in Congress. They could also spend time with people they know who have money and influence and not be asked if they were spending it for the wrong reasons, and they could actually solicit people's opinion without somebody worrying about whether they had actually purchased a Congressman's vote on something.

So, for all these reasons, I think that, besides the fact that it's right for America, I think they ought to do it.

Now, let me answer your first question. I do not know the facts. That's the only thing I'm saying. I just don't want to see people tried and convicted before we know the facts. I don't know the facts. But I didn't just mean having lobbyists. What I mean is, we're comfortable in America. If an Irish-American friend of mine from Boston says to me before we got involved in the Irish peace talks, "I think it's time that America changed their policy and got involved in this and tried to bring peace and harmony in Northern Ireland," and that Irish-American has direct contacts with people in the Government in the Republic in Ireland and people in the Parliament in Northern Ireland, no one thinks that it's inappropriate because it's a comfortable, open part of the way we are as Americans.

If a Jewish-American friend of mine happens to also be a friend of Prime Minister Netanyahu or Prime Minister Peres—former

Prime Minister Peres or former Prime Minister Rabin, no one thinks anything is wrong with it because it's the way things are. That's the only point I was trying to make, that we have a multiethnic society where people have different ties, different contacts, different feelings. And some of it we're comfortable with because we understand it. Other things we're uncomfortable with because it's new and different and jarring. And before we accuse people of wrongdoing, we at least need to know what are the facts. The only point I'm trying to make, the bottom line and significant point I'm trying to make is, I do not know what the facts are here, and I do not want to condemn without the evidence.

Let's take one more from each side. You want to take one more? And then John, we'll—and then Karen [Karen Breslau, *Newsweek*].

Strength of the Dollar and Trade

Q. I have a question for President Clinton. I understand that the United States is in favor of a strong balance, and at the same time the United States doesn't want any kind of increase in U.S. trade deficit with Japan. I think that the strong dollar—[inaudible]—Japan's exports to the United States, thus, an increase in U.S. trade deficit with Japan. Do you want a weaker dollar to help cut—to help prevent U.S. trade deficit to Japan from increasing significantly?

President Clinton. You have asked an excellent question and one to which I must give a careful answer; otherwise I will affect the value of the dollar, which I don't want to do.

Here is our position. We do not want a weak dollar simply to improve our trade position. We think that would be—that is not our economic policy, to go out and seek a weak dollar. We want our dollar to be healthy and strong because we have a good, strong economy and good economic policies.

But neither do we want any other actions to have the effect of throwing the exchange rate system out of whack in order to gain undue advantage in international trade. So what we would like to see is, and what we have campaigned for—what I have personally campaigned around the world for 4 years are good, coordinated, balanced economic

policies among all the strong economies of the world, and a commitment among all of us to expand into a global trading system that will give other countries the chance to grow wealthier on responsible terms. That is what I think is the best policy over the long run.

John. And then I'll take one from Karen.

Tobacco Regulations Ruling

Q. Mr. President, a followup to today's news. You have said, in regard to the talks the tobacco companies are involved in for a possible global solution, that your goal would be a solution that protects the health of children. My question is, does today's news not put the tobacco companies more on the run than ever before, at least more on the defensive? And does that not in some way weaken their hand in these negotiations and make the outcome you're looking for all the more likely?

President Clinton. Well, I certainly hope it makes the outcome I'm looking for all the more likely. Of course, just as we intend to appeal the advertising portion of the decision in North Carolina, I'm doubtless they will appeal the other portion of it. So we've got some time to go, and we'll have some other legal steps to go through. But I hope this will strengthen the hands of the public health advocates.

The only point I was trying to make earlier, John, is I simply do not know. I'm not the house expert here, and I don't know that we even have an expert in-house about where the right balance is in these negotiations with the public health at large. We originally began to monitor the negotiations with a very limited purpose, to ferociously protect what we had fought so hard for to get the FDA to do. But we know there is a larger public health interest here. And I hope that today's decision enhances the likelihood that the public health of the United States can be advanced, not only for children but for our country as a whole.

Let's take one more. We're having a good time, let's do one more. [Laughter] Karen, you're next. Otherwise I'll get blasted for having all men I called on today—properly blasted, properly blasted.

Japanese Deregulation

Q. Mr. President, you mentioned—[inaudible]—are you confident that Hashimoto's package of deregulation will be strong enough and timely enough to sustain growth in Japan without any kind of help from the fiscal side?

President Clinton. Well, I hope so. He's confident that it will be. And you know, he has to make the call. But we had a very good and, I thought, pretty sophisticated conversation about it today. I understand why Japan also wishes to cut its deficit, increase its savings rate. And I understand—we have similar long-term demographic challenges in Japan and the United States. You will face them before we will. And I understand that. But it's also important to keep our systems open, to keep opening them up and to not let the trade balance get out of whack. And we're committed to working on it. And I think we'll be reasonably successful if we work at it.

Go ahead.

Press Secretary Mike McCurry. Last question.

President Clinton. All right.

Press Secretary McCurry. The Prime Minister has to go—

President Clinton. I know.

Initiative on Race Relations

Q. Mr. President, your aides have said that in coming weeks you plan to announce a major initiative on the state of race relations in this country. Why now? And what do you expect a blue ribbon panel or commission or task force, whatever you decide, to produce in terms of tangible results that will make a difference in people's lives?

President Clinton. Well, first of all, let me say, I have not yet settled on a final form of an initiative. But what I think we need to do is to examine the nature of our relations with one another as Americans and what America is going to be like in this new century. I think it is time for a taking of stock.

We've been through some huge upheavals over race in America. We fought a civil war over slavery and race, and then we had a series of constitutional amendments that gave basic citizenship rights to African-Americans. Then we had a long civil rights struggle which was marked by steady, explicit forbidding of

various kinds of discrimination. And then we had the Kerner Commission report in '68, which basically said, even if you eliminate all these negative things, there are certain affirmative things you have to do to get people back to the starting line so they can contribute to our society. And then we had 25 years of affirmative action which is being rethought now, reassessed, and argued all over again.

But America has changed a great deal during that time. The fastest growing minority group now are the Hispanics. There are four school districts in this country, including one right across the river here in Virginia, that have children from more than 100 different racial and ethnic groups in one single school district. And I personally rejoice at this. I think this is a huge asset for the United States as we go into the 21st century, if we learn how to avoid the racial and ethnic and religious pitfalls that are bedeviling the rest of the world today.

So that's what I want to do. I want to take stock, see where we are, and see how we can get into the 21st century as one America, respecting our diversity but coming closer together. I think—by the way, I think this summit of service will have a lot to do with making it better.

But I'm making the final policy decisions, and I'll have some announcement to make before too long.

Thank you very much. Thank you, Mr. Prime Minister.

NOTE: The President's 142d news conference began at 2:36 p.m. in the East Room at the White House. Prime Minister Hashimoto spoke in Japanese, and his remarks were translated by an interpreter. During the news conference, the following persons were referred to: Vice Minister for Political Affairs Komura Nasahiko and Finance Minister Hiroshi Mitsuoka of Japan; and President Jiang Zemin and Premier Li Peng of China. Prime Minister Hashimoto also referred to the Special Action Committee on Okinawa (SACO). This item was not received in time for publication in the appropriate issue.

Memorandum on Use of Funds for the U.S. Contribution to the Korean Peninsula Energy Development Organization

April 24, 1997

Presidential Determination No. 97-21

Memorandum for the Secretary of State

Subject: Use of Nonproliferation, Anti-Terrorism, Demining and Related Programs Account Funds for the U.S. Contribution to the Korean Peninsula Energy Development Organization (KEDO)

Pursuant to the authority vested in me by section 614(a)(1) of the Foreign Assistance Act of 1961, as amended, 22 U.S.C. 2364(a)(1), I hereby determine that it is important to the security interests of the United States to furnish up to \$25 million in funds made available under heading "Nonproliferation, Anti-Terrorism, Demining and Related Programs" in title II of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997 (as enacted in Public Law 104-208) for the United States contribution to the Korean Peninsula Energy Development Organization without regard to any provision of law within the scope of section 614(a)(1). I hereby authorize this contribution.

You are hereby authorized and directed to transmit this determination to the Congress and to arrange for its publication in the *Federal Register*.

William J. Clinton

NOTE: This memorandum was released by the Office of the Press Secretary on April 26.

The President's Radio Address

April 26, 1997

Good morning. Tomorrow I will be in Philadelphia at the Summit for America's Future. Together with Presidents Bush, Carter, and Ford, and General Colin Powell, I will